

AMENDED IN SENATE APRIL 2, 2009

SENATE BILL

No. 771

Introduced by Senator Alquist

February 27, 2009

~~An act relating to Medi-Cal.~~ *An act to add Section 1367.28 to the Health and Safety Code, and to add Section 10133.4 to the Insurance Code, relating to health care coverage.*

LEGISLATIVE COUNSEL'S DIGEST

SB 771, as amended, Alquist. ~~Medi-Cal.~~ *Health care coverage: patient-centered medical home.*

Existing law provides for licensure and regulation of health care service plans by the Department of Managed Health Care. Existing law provides for the regulation of health insurers by the Department of Insurance. A willful violation of provisions governing health care service plans is a crime.

This bill would require a health care service plan or a health insurer, or a medical group that contracts with a plan, that uses a pay-for-performance system for the payment of providers to provide a differential payment to providers who provide patients with a patient-centered medical home. Because a willful violation of this provision relative to a health care service plan would be a crime, this bill would impose a state-mandated local program.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

Existing law establishes the Medi-Cal program, administered by the State Department of Health Care Services, under which basic health care services are provided to qualified low-income persons. The Medi-Cal program is partially governed and funded under federal Medicaid provisions.

~~This bill would declare the intent of the Legislature to enact legislation that would implement and complement changes in federal provisions affecting the Medi-Cal program, including, but not limited to, changes enacted as part of any federal economic stimulus package, as passed by the 111th Congress and signed by the President, in order to ensure that California receives its share of new federal funds, and benefits from any changes in eligibility, benefits, or funding enacted as part of any federal economic stimulus package.~~

Vote: majority. Appropriation: no. Fiscal committee: ~~no~~-yes.
State-mandated local program: ~~no~~-yes.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 1367.28 is added to the Health and Safety
- 2 Code, to read:
- 3 1367.28. (a) A health care service plan, or a medical group
- 4 that contracts with a health care service plan, that uses a
- 5 pay-for-performance system for the payment of providers shall
- 6 provide a differential payment for providers who provide patients
- 7 with a patient-centered medical home, in accordance with
- 8 standards established by the National Committee for Quality
- 9 Assurance. This section shall not apply to specialized health care
- 10 service plans.
- 11 (b) For the purposes of this section, a “pay-for-performance
- 12 system” means a payment system that rewards physicians,
- 13 hospitals, medical groups, and other health care providers for
- 14 meeting prescribed performance measures for quality and
- 15 efficiency.
- 16 SEC. 2. Section 10133.4 is added to the Insurance Code, to
- 17 read:
- 18 10133.4. (a) A health insurer that uses a pay-for-performance
- 19 system for the payment of providers shall provide a differential
- 20 payment for providers who provide patients with a patient-centered
- 21 medical home, in accordance with standards established by the
- 22 National Committee for Quality Assurance.

1 (b) For the purposes of this section, a “pay-for-performance
2 system” means a payment system that rewards physicians,
3 hospitals, medical groups, and other health care providers for
4 meeting prescribed performance measures for quality and
5 efficiency.

6 SEC. 3. No reimbursement is required by this act pursuant to
7 Section 6 of Article XIII B of the California Constitution because
8 the only costs that may be incurred by a local agency or school
9 district will be incurred because this act creates a new crime or
10 infraction, eliminates a crime or infraction, or changes the penalty
11 for a crime or infraction, within the meaning of Section 17556 of
12 the Government Code, or changes the definition of a crime within
13 the meaning of Section 6 of Article XIII B of the California
14 Constitution.

15 ~~SECTION 1. It is the intent of the Legislature to enact~~
16 ~~legislation that would implement and complement changes in~~
17 ~~federal Medicaid provisions affecting the Medi-Cal program that~~
18 ~~are enacted as part of any federal economic stimulus package, as~~
19 ~~passed by the 111th Congress and signed by the President, in order~~
20 ~~to ensure that California receives its share of new federal funds,~~
21 ~~and benefits from any changes in eligibility, benefits, or funding~~
22 ~~enacted as part of any federal economic stimulus package.~~